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IN THE

Supreme Court of the United States

October Term, 1971
No. 71-1192

DONALD GOLDSTEIN, RUTH KOVEN and DONALD KOVEN,

Petitioners,

vs.

THE STATE OF CALIFORNIA,

Respondent.

On Writ of Certiorari to the Appellate Department, Superior Court of California, County of Los Angeles.

PETITION FOR REHEARING.

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PETITION FOR REHEARING.

I.

Preliminary Statement.

The purpose of this petition is twofold. First, petitioners request the Court to clarify an important point not covered in the Court's opinion. That is, may a State include in its grant of copyright protection to a class of writings not "attended" by Federal copyright specific items within that class which have been generally sold to the public within the State prior to the enactment of the State copyright law?

Petitioners' second point is that the Court's opinion is based, to a large degree, on matter which was neither

argued nor briefed by either petitioners or respondent, and that petitioners should have the opportunity to be heard on such matters since there appears to be important arguments that the Court has apparently not fully considered; and that the reasoning of the instant decision could well mean that Public Law 92-140, which purports to grant Federal copyright protection to post-February 15, 1972 sound recordings, is unconstitutional.

II.

This Court Should, at the Least, Clarify Its Opinion to Insure That State Copyrights Are Used to Foster Creativity Not Just to Grant Financial Bonanzas to Local Favorites.

The decision of this Court in the instant case allows the states to grant a state copyright to any "class" of writing which is not protected ("attended") by Federal copyright even though it is a writing within the meaning of Article I, §8, Cl. 8 of the Constitution. The decision further holds that sound records fixed and published prior to February 15, 1972 are not such a Federally protected class of writing because only sound recordings fixed and published after such date are eligible for Federal copyright.

The decision does not state whether a State can grant copyrights to works which were published prior to the time the State enacts its copyright statute and petitioners respectfully urge this Court to clarify this important point even if it otherwise denies this petition. If the States can legislate with respect to works previously published, then hundreds, perhaps thousands of works with commercial value, because of their educational and aesthetic properties, are also classes of

works which the states may "protect" since they have never been entitled to federal copyright protection because they were originally published prior to the time Congress decided to grant such protection. For example, books by Dickens and Hugo and music by Verdi have long been considered part of the public domain and thus free for anyone to copy because such works were published prior to the time Congress established a method for foreign authors to acquire a copyright in their works. The same is of course true with countless nineteenth century paintings, such as those by Van Gogh or Renoir; finally, and perhaps of even greater importance, are such items as computer programs which have only recently become the subject of Federal copyright.

Unless the States are restricted to protection of works unpublished at the time a State statute is enacted, one or more States could grant "copyrights" to the heirs of such authors, composers, or artists, thereby removing from the public domain many great works. The result of course would be a general increase in the cost of such works, or reproductions of such works, to the general public. Nor would there be any corresponding benefit to the public. That is, it can hardly be argued that a state copyright statute enacted today or for that matter in 1968, would possibly encourage artistic activity, or other activity, in 1850 or 1900 or 1950 or at any time prior to its enactment.

Petitioners suggest that this substantial problem can be cured by this Court's clarifying its opinion to specify that it is holding that the copyright power reserved to the States by the Constitution was a power to protect only writings published *after* the state enacted

such a relevant copyright statute. There is ample grounds for such a holding since as this Court noted in *Graham v. John Deere*,[1] it was the practice of the English Crown "in granting monopolies to court favorites"—eventually curtailed by the Statutes of Monopolies—which caused the Framers of the Constitution to limit Congress' power to protection of items not yet in the public domain. Certainly it is a fair assumption that this same Constitution would prohibit the states from granting copyright protection to items which could be freely copied prior to such state action.[2]

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[1]383 U.S. 1, 5-6 (1966).

[2]In the instant case this Court noted that it was affirming its previous decisions in *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964) (hereinafter "*Sears*") and *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964) (hereinafter "Compco"). In *Compco* the Court held:

> "Today we have held in *Sears, Roebuck, & Co. vs. Stiffel Co., supra,* that when an article is unprotected by patent or a copyright, state law may not forbid others to copy that article. To forbid copying would interfere with the federal policy, found in Article I, Section 8, Clause 8 of the Constitution, and in the implementing federal statutes, of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain." 376 U.S. at 231-232.

In *Sears* this Court held:

> "Sharing in the good will of an article unprotected by patent or trademark is the exercise of a right possessed by all and in the free exercise of which the consuming public is deeply interested." 376 U.S. at 231-232.

In the instant case this Court stated it was affirming both *Sears*, and *Compco*. Thus, this Court's holding in the instant case appears to be that items which are sold to the public without the protection of a federal copyright or patent are in the public domain and are free to be copied by anyone. However, if the item is a class of writing not "attended" by a federal copyright then a state may protect it. Petitioners' position, as set out above, seeks only to insure that such protection be only for works which have not yet reached the public domain, since a contrary holding would allow the states to take from an individual, without just compensation, the right to copy and share

Nor is petitioners' request an academic exercise, for it is of vital importance to the instant case. The California statute in question, Penal Code §653h, was enacted in 1968 and did not become effective until November, 1968. The Misdemeanor Complaint which was filed against petitioners does not state when the sound recording "albums" in question were first sold generally to the public in California, but it is a fair assumption that some or all of the 140 albums in question were first sold prior to November, 1968, since the information alleges that defendants started copying the albums no later than April, 1970. The matter did not come up in the Court below, because the respondent herein never argued that the State had a right to enact a copyright law.[3] If respondent had

in the goodwill of an item which right he had until the State acted. For example, if the defendants had a right to copy record A in California in October, 1968, and if California Penal Code §653h takes away that right as of November 1968, then the defendants have been deprived of a valuable right by the State without compensation. As petitioners have noted the Framers of the Constitution certainly never intended to allow such a taking without compensation.

[3]There appeared to be no need for the Court below to determine whether such sales of the relevant albums first occurred before or after the effective date of Penal Code §653h. The respondent never argued that California, or any other state, had the right to enact a copyright statute. Its sole argument, and the argument accepted by the court below through its adoption of the opinions in *Tape Industries Ass'n of America v. Younger*, 316 F.Supp. 340 (C.D. Cal. 1970) and *Capitol Records, Inc. v. Erickson*, 2 Cal.App.3d 526 (1969), was that the activity prohibited by Penal Code §653h was simply appropriation or theft, and not copying. (That argument has now been rejected by all nine members of this Court.)

Nor could petitioner have reasonably anticipated this Court's decision in light of the unbroken line of decisions of this Court dating from 1834, which at the least, appeared to indicate that the states had no right to enact a copyright law since they specifically held that, in enacting a copyright law which protects the works of authors after publication, Congress did not

(This footnote is continued on next page)

made such an argument petitioners would have sought to establish a record as to the date of the original sale and distribution of the albums in question. But, petitioners have consistently argued that the sound recordings are in the public domain and thus, there is ample justification in the record for a decision by this Court to remand the matter to the court below for a determination of the original sale date in California of the albums named in the Complaint.

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sanction an existing right but created a new one. *Wheaton v. Peters,* 8 Pet. 591, 661; *Banks v. Manchester,* 128 U.S. 244, 252, 253; *American Tobacco Co. v. Werchkmeister,* 207 U.S. 284, 291; *Caliga v. Inter Ocean Newspaper Co.,* 215 U.D. 182, 188; *Globe Newspaper Co. v. Walker,* 210 U.S. 356, 362; and *Fox Film Corp. v. Doyal,* 286 U.S. 123, 127.

In fact, in *Banks v. Manchester,* 128 U.S. 244 (1888), this court held that a state could not remove matter from the public domain by enacting its own copyright law, even if the writing which was the subject of that law was not protected under the Federal copyright law. In *Banks* the State of Ohio sought by statute to give to the highest bidder the exclusive right "so far as the State can confer same", to publish the opinion of the Ohio Supreme Court. The Ohio statute also instructed the person acquiring such right to secure a Federal copyright in the opinions. This Court held, however, that the opinions of the Ohio judges were not a class of writing which could be protected under the Federal copyright statutes then in effect.

> "[No] copyright [can] under the statutes passed by Congress, be secured in the products of the labor done by judicial officers in the discharge of their judicial duties." *Banks v. Manchester, supra,* 128 U.S. at 253.

The appellants, however, argued that "the weight of authority sustains the proprietary right of the state of Ohio in the opinions of its judges." (See *Banks v. Manchester, supra,* 32 L.ed. 425, wherein the briefs of counsel are summarized.) This Court disposed of such a claim that a state could enact a law to protect published works not the subject of a Federal copyright, holding:

> "No authority exists for obtaining a copyright beyond the extent to which Congress has authorized it. A copyright cannot be sustained as a right existing at common law; but as it exists in the United States, it depends wholly on the legislation of Congress." *Banks v. Manchester, supra,* at 252.

This clarification sought by petitioners would not upset the basic determination by the Court that state legislatures should have the right to enact legislation to foster creativity within their own borders if the legislature determines that the benefits of such encouragement to creativity will outweigh the monopoly effect on the public. Such a clarification will, however, insure that the approach taken by this Court is not adulterated by allowing certain States to grant such monopolies on already existing matter, without the counterbalancing benefits from increased creativity which this Court envisaged from a State copyright law.

III.

The Interpretation of Section 4 of the Copyright Act as Not Encompassing Sound Recordings Was Not Argued by the Parties, Is Contrary to Its Literal Meaning and Endangers the Validity of the New Sound Recording Act.

In disposing of petitioners' argument that the California statute in question is void under the Supremacy Clause, the majority opinion analyzes in detail Section 4 of the Copyright Act[4] and concludes that the word "writings" in Section 4 did not extend federal copyright protection to sound recordings and therefore Congress has left sound recordings "unattended" so that "no reason exists why the state should not be free to act."[5] It is significant that this interpretation of Section 4 constitutes a basic foundation upon which the majority opinion rests, yet neither petitioners nor respondent have argued or even discussed Section 4 in

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[4]17 U.S.C. §4.

[5]*Goldstein v. California*, 71-1192, slip opinion, p. 23.

their briefs.[6] More importantly, it is earnestly submitted that the question of whether the California statute is void under the Supremacy Clause does not depend on whether Section 4 actually authorizes the actual granting of a federal copyright registration for sound recordings, but rather whether Section 4 preempts state protection because it encompasses sound recordings within the overall federal copyright scheme under the constitutional prerogative set forth in Art. I, §8, Cl. 8, of the Constitution.

Section 4 provides:

> "[T]he works for which copyrights may be secured under this Act shall include all writings of an author."

The word "writings" was specifically chosen by Congress because "it was thought better to use the word 'writings' which is the word found in the Constitution,"[7] and it was simultaneously recognized that "Congress and the courts have always given a liberal construction to the word 'writings'."[8]

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[6]Petitioners' briefs and arguments did not deal specifically with Section 4 because petitioners assumed, in light of *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964), and *Compco Corp. v. Day-Brite Lighting*, 376 U.S. 234 (1964), that the enactment of constitutionally implementing federal patent and copyrights laws, in and of itself, preempted the states from acting in these areas, and that the principal question presented by the California statute in question was whether it interfered with such federal preemption and federal copyright policy. Likewise, Section 4 is not cited in respondent's main Brief or its Post-Argument Memorandum, respondent's principal arguments being that the California statute was not a copyright statute, but a constitutionally permissible exercise of a state's police power and that the California statute is expressly authorized by Congress under either Section 3 of Public Law 92-140 or Section 2 of the 1909 Copyright Act (17 U.S.C. §2) granting states the right to protect "unpublished" works.

[7]H.R. Rep. No. 2222, 60th Cong., 2nd Sess. at 10.

[8]*Id.*, at 2.

With this legislative background, and looking at the language actually used in Section 4, it is believed clear that Section 4 was intended by Congress to define the area over which Congress elected to assume control under its constitutional authority. Section 4 was not intended to define only those works which were actually copyrightable under the 1909 statute, for this is expressly done in other sections of the 1909 act, principally Section 5 which lists classes of works which are copyrightable.

Thus, the clear import of Section 4 is that the works to be brought within the federal copyright scheme "*shall* include *all* writings," and that within this all-encompassing framework, "copyrights may be secured" for such works as Congress expressly selects. Congress, by deliberately choosing in Section 4 to use the word "writings" found in Art. I, §8, Cl. 8, specifically intended to exercise its authority over all works to which the constitutional provision might apply, and congressional intention as to which such works were to be protected by copyright is found in an interpretation of other provisions of the Act.[9] Since Congress has thus

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[9]Insofar as "writings" in Section 4 is to be interpreted to determine what Congress preempted, this term must have a scope that is unequivocally coextensive with the same term in the Constitution. However, "writing" in Section 4 has also been interpreted for purposes of attempting to determine which works Congress intended to grant copyright protection. In the latter category, Judge Learned Hand suggests in his dissenting opinion in *Capitol Records, Inc. v. Mercury Records, Inc.*, 221 F.2d 657 (2nd Cir. 1955), that the scope of "writings" within the meaning of Section 4 should be coextensive with the constitutional meaning of that term except insofar as other portions of the Copyright Act itself expressly disclose a contrary intent, and this construction of Section 4 is also adopted by Professor Nimmer in his leading treatise, *Nimmer on Copyright*, §12.22 (1973). Accord: *Harcourt, Brace & World, Inc. v. Graphic Controls Corp.*, 329 F.Supp. 517 (S.D. N.Y. 1971).

exercised its full constitutional copyright authority it must follow that the Supremacy Clause preempts concurrent state authority such as that represented by the California statute in question here.

It is true that the language of Section 4 has been looked at in an effort to determine whether a particular work is subject to actual copyright protection under the Copyright Act,[10] and in some cases Section 4 has been found wanting for this purpose. But, it is again to be emphasized that regardless of whether Section 4 is interpreted as authorizing copyright regulation of a particular work, Section 4 nevertheless clearly acts to bring all constitutional writings within the federal copyright scheme even if some of such writings are found not to be actually registrable because of other language in the Copyright Act.

Indeed, if the words "all writings" are interpreted as not encompassing sound recording within the federal copyright scheme, as the majority opinion holds, it would seem to follow logically that the 1971 amendment,[11] which adds sound recordings to the works protected under the federal Copyright Act, is unconstitutional because no change was made in the definition of "all writings" in Section 4 when the 1971 amendment was enacted.[12] If "all writings" did not encompass sound recordings prior to February 15, 1972, the

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[10]*Capitol Records, Inc. v. Mercury Records, supra,* note 6; *cf. Mazer v. Stein,* 347 U.S. 201 (1954); Chafee, *Reflections on the Laws of Copyright,* 45 Col. L. Rev. 719, 733-737 (1945).

[11]Public Law 92-140, 85 Stat. 391 (1971).

[12]The same problem would also arise in connection with the 1912 amendment to the Copyright Act, 37 Stat. 488 (1912), which added motion-picture photoplays and motion pictures other than photoplays to the 1909 Act without any change in the language of Section 4.

effective date of the 1971 amendment, how can these same words suddenly take on an entirely new definition without some congressional amendment or, at least, congressional clarification? It is submitted that this obvious statutory dilemma is resolved if, as indicated above "all writings" in Section 4 is interpreted as defining the works over which Congress has elected to exercise its constitutional authority while leaving Section 5 and other sections to define the particular works which Congress has elected to protect by copyright.

This interpretation of Section 4 also seems more consistent with this Court's holdings in *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964) and *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964). In the latter case, this Court relied upon a broad "federal policy, found in Article I, Section 8, Clause 8, of the Constitution and in the implementing federal statutes, of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain" (376 U.S. at 237) and emphasized that any article not expressly protected by the patent and copyright laws is "in the public domain and can be copied in every detail by whoever pleases" (*id.* at 238). These decisions clearly seem to assume that by enacting the federal patent and copyright laws, Congress has exercised the full authority granted to it under the Constitution, and the states cannot act to prohibit the copying of any federally unprotected article unless Congress expressly authorizes them to do so (*e.g.*, as under Section 2 of the Copyright Act). This assumption is consistent with petitioners' argument that, in enacting Section 4 of the Copyright Act, Congress expressly intended to exercise its authority over all works which the Constitution permits.

The briefs and arguments presented to this Court in the present case by both petitioners and respondent did not deal with Section 4 because it was assumed by both sides that if this Court found Penal Code §653h to be a copyright statute it would be invalid since Congress, in enacting federal copyright legislation, had preempted the copyright field except as to works which Congress expressly left to the states. It is therefore earnestly submitted that this Court should grant a rehearing to enable both parties to address themselves to the contrary interpretation of Section 4 upon which the majority opinion is based. More importantly, it is respectfully suggested that unless the interpretation of "all writings" in Section 4 as excluding sound recordings is clarified, the constitutional validity of the 1971 amendment to protect sound recordings will remain open to serious doubts that will undoubtedly have a deleterious effect on the entire recorded music industry.

IV.

Conclusion.

For the reasons set forth above the petitioners request this Court to grant the instant petition and grant a rehearing on the instant cause.

Respectfully submitted,

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Attorneys' Certificate of Good Faith.

The undersigned, ARTHUR LEEDS, attorney for Petitioner, hereby certify that the Petition for Rehearing filed in this cause is presented in good faith, that in their judgment the grounds of said Petition are well taken and in conformance with the Court's rules and that said Petition for Rehearing is not interposed for delay.

ARTHUR LEEDS